SECRET

30 October 1969

MEMORANDUM FOR:	Assistant Deputy Director for Intelligence	
SUBJECT:	Publications Procurement	
Executive Director-Conpublications procurement tions will have a disast commercial, government 2. The attached	ndum concerns the effects of implementing the imptroller's 29 October memorandum on int. In sum, implementation of these instructions effect upon the Agency's acquisition of intal, and scholarly publications.	
expense of serious disr	Some of this may be recoverable but only at the uption to the acquisitions process.	
The pattern of the previ budget is projected for	ons process begins its annual cycle each July. ious year's expenditures is established and a the following year. In July 1969 we projected	
would be available for o spender of acquisition f and informed each custo EAM machine listings of	expectation that almost another over-runs. We estimated the needs of each major unds in FY 1969, arbitrarily reduced these outlays, omer of his FY 1970 funds. We then produced if the subscriptions that were current for both riod publication acquisition, forwarded these to	25X1
revalidation. By about were returning to CRS. The reordering of subsciences	the periodicals, and requested their review and 1 September, these revalidation of subscriptions Throughout September they were consolidated. criptions began about 1 October. Today it is	
virtually complete with obligated.	the result that over has already been	25X1
4. We have not ye been reordered and we have	et paid for many of these subscriptions that have	

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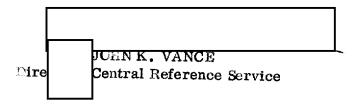
4. We have not yet paid for many of these subscriptions that have been reordered and we may be able to cancel existing orders and reorder in smaller quantities, saving some funds. We must, however, do this

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in the next two weeks or so because the suppliers of the publications need almost two months to fit our orders into their distribution systems. If the process is not complete by early November, the result will be that many of our subscriptions will run out at the end of December, and we will have no ability to acquire the desired publications. Thus, to cut back on orders in being, we must redo a four-month cycle in two weeks or less.

5. CRS considers the 29 October memorandum on publications procurement from the Executive Director-Comptroller to be ill-advised for other reasons as well. Total cost of publications procurement is nominal if one considers that most authorities on U.S. intelligence have concluded that more than 75% of all useful intelligence information is obtained via open sources, and if one considers the high cost of any SECRET intelligence collection relative to buying a magazine on a new sstand. Certainly the outlined program will generate heavy control costs particularly in the already pared down CRS acquisitions operation. The memorandum also seems to totally neglect the fact that the cost of publications has increased by something more than 5% annually since 1965 because of inflation. It also seems to neglect that the 9% increase during FY 1969 procured a smaller number of items than were obtained in 1968. Inflation added about 7.6% to the average price of all U.S. periodicals in 1969 as compared with the average 1968 price.



Attachment

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